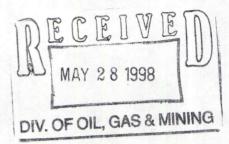


State of Utah School and Institutional TRUST LANDS ADMINISTRATION

Michael O. Leavitt Governor David T. Terry Director 675 East 500 South, Suite 500 Salt Lake City, Utah 84102-2818 801-538-5100 801-355-0922 (Fax)



May 27, 1998

Danny L. Bown 595 East 600 South Manti. UT 84642

RE: ML 47244-BSLS DOGM S-039-010

Dear Mr. Bown,

This letter will acknowledge your amended Notice-of-Intent of May 18, 1998, to conduct small mining operations upon state trust lands under mineral lease ML 47244. I understand that plan to open a new quarry a few hundred feet to the southwest of your present quarry, in Section 16.

The Trust Lands Administration has no objection to the proposed new quarry site. It is requested, however, that you perform reclamation of the existing quarry as soon as possible. Your C.D. #053-929407-4 will serve as a bond for operations at the proposed new quarry, as well as reclamation of the existing quarry. Please notify me when you finish reclamation of the existing quarry.

Sincerely,

John T. Blake

cc: Lynn Kunzler